



Independent Auditor's Review Report for the quarter and year to date ended on September 30, 2023 on the Unaudited Financial Results of the Parsvnath Rail Land Project Private Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**TO THE BOARD OF DIRECTORS OF
Parsvnath Rail Land Project Private Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **Parsvnath Rail Land Project Private Limited ('the Company')** for the quarter ended September 30, 2023 and year to date results for the period from April 1, 2023 to September 30, 2023 (the "financial results"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited to making inquiries of financial information, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.





5. Emphasis of Matters Paragraph

- a) We draw attention to note 3 to the Financial results wherein it is stated that these financial results have been prepared on the basis that the Company does not continue to be going concern, for the reason stated in the said notes. Accordingly, all assets and liabilities have been measured and stated at the values they expect to be realized or settled at, to the extent ascertained by management at the time of preparation of these accounts.
- b) We draw attention to note 6 to the Financial results regarding the claim of Rs. 6442.62 lakhs recoverable from RLDA relating to the matter under arbitration. In the opinion of the management, the amount is considered good and recoverable.
- c) We draw attention to note 14 to the Financial results, the company has received a demand of Rs. 214.24 lakhs vide Assessment order dated 15.09.2021 u/s 143(3) on account of penalty u/s 270A of the Income Tax Act, 1961. The company filed an appeal with Commissioner of Income Tax (Appeals) on 03rd June 2023 with a delay of more than 20 months. The management is of the view that delay in filing the appeal will be condoned and the penalty will be waived as the penalty was raised without considering the voluntarily disallowed expenses in the revised return.

Our conclusion is not modified in respect of these matters.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Aashish Gupta
(Partner)

Membership No. 097343

UDIN: 23097343B6 @ JW4187



Date: 04th December 2023
Place: Delhi

BALANCE SHEET AS AT 30 SEPTEMBER, 2023

Particulars	As at 30-September-23	As at 31-March-23
	Unaudited	Audited
Assets		
Non current assets		
a. Financial assets		
i. Investments	543.42	543.87
ii. Other financial assets	6,442.62	6,442.62
b. Tax assets (net)	32.14	32.14
Total non-current assets	7,018.18	7,018.63
Current assets		
a. Financial assets		
i. Cash and cash equivalents	0.70	1.43
Total current assets	0.70	1.43
Total assets	7,018.88	7,020.06
Equity and liabilities		
Equity		
a. Equity share capital	14.10	14.10
b. Convertible preference shares	28.30	28.30
c. Other equity	(5,104.93)	(5,093.90)
Total equity	(5,062.53)	(5,051.50)
Liabilities		
Non-current liabilities		
a. Financial liabilities		
a. Borrowings	11,617.49	11,617.49
Total non current liabilities	11,617.49	11,617.49
Current liabilities		
a. Financial liabilities		
i. Borrowings	24.01	11.50
ii. Trade payable		
- Outstanding dues of micro enterprises and small enterprises	-	-
- Outstanding dues of creditors other than micro enterprises and small enterprises	82.84	85.62
iii. Other financial liabilities	356.86	356.55
b. Other current liabilities	-	0.27
c. Provisions	0.21	0.13
Total current liabilities	463.92	454.07
Total liabilities	12,081.41	12,071.56
Total equity and liabilities	7,018.88	7,020.06



PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
 Regd. Office: Parasnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032
 CIN: U45203DL2011PTC227343

Statement of unaudited financial results for the quarter and six month ended September 30, 2023

Serial No.	Particulars	Quarter Ended		6 Months Ended		Year ended
		30 September 2023 Unaudited	30 June 2023 Unaudited	30 September 2022 Unaudited	30 September 2023 Unaudited	30 September 2022 Unaudited
1	Income					
	a. Revenue from operations	-	-	-	-	-
	b. Other income	-	-	-	-	0.28
	Total income	-	-	-	-	0.28
2	Expenses					
	a. Employee benefit expense	1.00	1.20	1.26	2.98	2.52
	b. Finance costs	0.01	0.01	-	0.02	0.12
	c. Other expenses	1.89	0.14	1.13	8.03	2.95
	Total expenses	3.89	1.35	2.39	11.03	5.59
3	Profit / (Loss) before exceptional items and Tax (1-2)	(3.89)	(1.35)	(2.39)	(11.03)	(5.59)
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before tax	(3.89)	(1.35)	(2.39)	(11.03)	(5.59)
6	Tax expenses	-	-	-	-	-
7	Profit / (Loss) for the period/ year	(3.89)	(1.35)	(2.39)	(11.03)	(5.59)
8	Other Comprehensive Income	-	-	-	-	-
9	Total Comprehensive Income/(loss) for the period / year	(3.89)	(1.35)	(2.39)	(11.03)	(5.59)
10	Earnings per Equity Share (Face value of Rs. 10 each)					
	a. Basic (in Rs.)	(2.55)	(5.28)	(1.89)	(7.82)	(3.96)
	b. Diluted (in Rs.)	N.A	N.A	N.A	N.A	N.A
11	Paid up equity share capital, Equity share of Rs. 10 each	14.10	14.10	14.10	14.10	14.10
12	Other equity (As per Audited Balance Sheet)	-	-	-	-	(5,093.90)



Parsvnath Rail Land Project Private Limited
Statement of Cash Flows for the period ended 30 September, 2023

Notes	Half Year ended 30 September, 2023	Year ended 31 March, 2023
	Rs. In lakhs	Rs. In lakhs
Cash flows from operating activities		
Profit/(loss) for the year	(11.03)	(18.87)
Adjustments for :		
Finance costs recognised in statement of profit and loss	0.01	0.13
Diminution in Investment	0.45	2.66
Interest income recognised in statement of profit and loss	-	-
	<u>(10.57)</u>	<u>(16.08)</u>
Movements in working capital:		
(Increase)/decrease in other current assets	-	0.30
Increase/(decrease) in trade payables	(2.78)	7.57
Increase/(decrease) in provisions	0.08	0.01
Increase/(decrease) in other financial liabilities	0.31	(0.33)
Increase/(decrease) in other current liabilities	(0.27)	0.03
Cash generated from operations	<u>(13.23)</u>	<u>(8.50)</u>
Income tax paid (net)	-	-
Net cash flow from/(used in) operating activities	<u>(13.23)</u>	<u>(8.50)</u>
Cash flows from investing activities		
Net Cash flow from/(used in) investing activities	-	-
Cash flows from financing activities		
Interest paid	(0.01)	(0.13)
Proceeds from borrowings	12.51	9.47
Net Cash flow from/(used in) financing activities	<u>12.50</u>	<u>9.34</u>
Net increase in Cash and cash equivalents	<u>(0.73)</u>	<u>0.84</u>
Cash and cash equivalents at the beginning of the year	<u>1.43</u>	<u>0.59</u>
Cash and cash equivalents at the end of the Period	<u>0.70</u>	<u>1.43</u>



Notes :

- 1 The above financial results have been reviewed and approved by the Board of Directors in the meeting held on 04, December 2023 and have been reviewed by Statutory Auditors of the Company
- 2 The financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in India Accounting Standard ("Ind AS") specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally in India
- 3 The Financial results have been prepared on the basis that the Company does not continue to be a going concern, since the company has surrendered its project. Accordingly, all assets and liabilities have been measured and stated at the values they expect to be realized or settled at, to the extent ascertained by management at the time of preparation of these accounts.
- 4 Figures for the Quarter ended September 2023 represents the balancing figures derived by deducting the reviewed year to date figures for the first six months ended 30th September 2023 and year to date figures upto the end of Quarter ended 30th June 2023.
- 5 The company has only one operating segment, hence disclosure under Ind AS 108 on 'Operating Segments' is not applicable.
- 6 Parsvnath Developers Limited (PDL), the holding Company was selected as bidder for grant of lease for development of residential, commercial and other related infrastructure facilities on plot of land at Sarai Rohilla, Kishanganj by Rail Land Development Authority (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. Parsvnath Promoters and Developers Private Limited (PPDPL) was identified as a Special Purpose Vehicle (SPV) Company for the purposes of implementation of the project and RLDA accorded its in principle approval on 7 February, 2011.

Subsequently as per the requirement of RLDA and their subsequent approvals vide letter dated 3 August, 2012, PDL incorporated a new company Parsvnath Rail Land Project Private Limited (PRLPPL) for the development and implementation of the project and accordingly all assets and liabilities were transferred by PPDPL to the Company.

Due to multifarious reasons, PRLPPL was not able to achieve Financial Closure as per Article 7 of the Development agreement PRLPPL invoked the arbitration clause in the development agreement for recovery of amount paid to RLDA together with interest thereon on demand termination of agreement by way of instituting three Arbitrational proceedings namely Arbitration I, III and IV.

In Arbitration I, PRLPPL and PDL claimed interest on instalments demanded and received in advance by RLDA since necessary legislation was passed only later. The Arbitral Tribunal by majority judgement dated May 31, 2018 rejected the Company's claim and directed the Company vide its Award dated June 1, 2018, to pay the cost incurred in the proceedings amounting to Rs.97.00 Lakhs to RLDA. However, the company has appealed against the decision before the Delhi High Court and the Hon'ble Court's decision is awaited (OMP (Comm) 395/2018 & IA 1250/2018). The next hearing date of this matter is 18.12.2023 for final arguments.

During F.Y. 2018-19, PDL and PRLPPL has invoked Arbitration-III, based on illegal retention of Rs. 132 crores (as damages) by RLDA, PDL and the PRLPPL has inter-alia also sought for refund of the amount retained as losses by RLDA along with sum of Rs.3247.28 crores towards losses on Account of RLDA's breach of its representation and warranties in respect of the land sought to be leased. The Arbitral Award under Arbitration -III was pronounced on 21.04.2023. In terms of Arbitral Award Award, Rs 146.19 crores along with interest @ 6.50% from 15.03.2017 till realization has been awarded in favour of the claimants. Since there were certain discrepancies in the awarded amount the claimants have preferred an Application under section 33 of the Arbitration and Conciliation Act, 1996 (as amended) seeking the requisite rectification thereof. The Application was listed for hearing on 14.08.2023. After hearing submissions of both parties, the Arbitral Tribunal reserved orders on the said application. The Arbitral Tribunal vide order dated 15.09.2023 partly allowed the corrections sought by PDL/PRLPPL in the application filed, Pursuant to the order dated 15.09.2023, PDL/PRLPPL are now entitled to receive Rs. 147.46 crores along with interest @ 8.50% from 15.03.2017 till realization. Being aggrieved by the arbitral award, RLDA has filed a petition before High Court under section 34 of the Arbitration and conciliation Act seeking setting aside of the arbitral award dated 21.04.2023 subsequently modified order dated 15.09.2023 & no hearing is fixed till date.

During F.Y. 2019-20, PDL and PRLPPL had invoked Arbitration -IV seeking to recover an amount of Rs. 18.85 Crores along with interest on account of damages incurred due to illegal retention of the Performance Bank Guarantee dated 30.05.2013 from 02.11.2015 to 16.08.2019 and claim for losses from RLDA. On RLDA's refusal to appoint its nominee arbitrator PDL & PRLPPL approached the Hon'ble High Court Vide Arbitration Petition No. 710/2019. On 19.05.2020, the Hon'ble Delhi High Court allowed the petition and nominated RLDA's Nominee Arbitrator.

In Arbitration - IV, the rejoinder arguments have been concluded, and the arbitral award was pronounced on July 31, 2023. In terms of the arbitral award, a total of Rs. 330.14 lakhs has been awarded in favour of the claimants, which includes expenses for maintaining Performance Bank Guarantee of Rs. 172.77 lakhs plus Interest amount of Rs. 88.11 lakhs plus cost of arbitration amounting Rs. 69.75 lakhs to the Claimant within a period of 6 weeks from the date of receipt of the Award. In the event of the Respondent fails to make such payment, interest at the rate of 9% per annum shall be levied from the date of this Award, until the date of full payment.

Based on the legal advice received, the claim of Rs.6442.62 lakhs on RLDA is considered Good which is reflected under 'Other Non-Current financial assets and the claim approved by the Arbitrator has not been accounted till the realisation of the said amount on conservative basis.

- 7 Brickwork rating has reaffirmed the rating of companies NCDs series of A of Rs. 360 lakhs and NCD series B of Rs. 11257.49 lacs at BWR B / Rating Watch with developing implications (Downgrade) its letter dated 03 November 2023.
- 8 The Company has not received any complaint from the investor during the quarter ended on 30th September, 2023 and there was no complaint pending at the beginning of the year.
- 9 The debentures of the company are secured for the following:

Both redeemable NCD are secured by first & second charges respectively by way of hypothecation of assets, contracts receivables, all present and future book debts, outstandings, monies receivable together with all and any interest accruing thereon and exclusive charge respectively in favour of the debenture Trustee in respect of the leasehold rights of the company over such site parcels leased by the RLDA to the Company upon payment of the second lease instalment and in respect of the remaining site parcels by execution of the subsequent Indenture of mortgage.
- 10 Redemption of Debentures series A amounting to Rs. 360.00 lakh is due on 31.12.2024 and series B amounting to Rs. 11,257.49 lakh is due on 31.12.2024 and interest rate is revised from 15% to Zero as per approval received during the year for modification to the terms of issue of debentures of Series A & B
- 11 In the absence of available profits, the company has not created Debenture Redemption reserve during the year.
- 12 Pursuant to Regulation 52(7A), the Company confirms that there have been no material deviations in the use of proceeds of issue of Non-convertible Debentures from the objects stated in the offer document.
- 13 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that the auditors have Limited review report with unqualified conclusion on reviewed financial result for the quarter.



14 The company has received a demand of Rs. 214.24 lakhs vide Assessment Order dated 15.09.2021 u/s 143(3) on account of penalty u/s 270A of the Income Tax Act, 1961. The company has filed an appeal with Commissioner Income Tax (Appeals) on 03rd June 2023 with a delay of more than 20 months. The management is of the view that delay in filing the appeal will be condoned and the penalty will be waived as the penalty was raised without considering the voluntary disallowed expenses in the revised return.

15 Additional disclosure as per Regulation 52(4) of SEBI (LODR) Regulation 2015 are as under:

Particulars	September 30, 2023	
	Unaudited	Audited
Interest service coverage ratio	N.A.	N.A.
Operating margin (%)	N.A.	N.A.
Net Profit margin (%)	N.A.	N.A.
Debt Equity ratio	(2.30)	(2.30)
Debt service coverage ratio	N.A.	N.A.
Debenture Redemption reserve	N.A.	N.A.
Capital Redemption reserve	N.A.	N.A.
Net Worth	(5090.83)	(5079.80)
Net Profit after tax	(11.03)	(18.87)
Earnings per share	(7.82)	(13.38)
Current ratio	0.002	0.003
Long term debt to working capital	(25.08)	(25.67)
Bad debts to accounts receivable ratio	N.A.	N.A.
Current liability ratio	0.07	0.06
Total Debts to Total assets	1.66	1.66
Asset coverage Ratio	0.60	0.60
Debtor's turnover	N.A.	N.A.
Gross NPA ratio	N.A.	N.A.
Net NPA ratio	N.A.	N.A.
Provision Coverage ratio	N.A.	N.A.
Outstanding redeemable preference shares	N.A.	N.A.
Outstanding redemption reserve/ Debenture redemption reserve	N.A.	N.A.
Inventory turnover	N.A.	N.A.

16 Figures for the previous periods have been regrouped wherever necessary in order to make them comparable

17 Formula used:

- (i) Interest service coverage ratio = Earnings before interest, depreciation and tax / Interest expenses
- (ii) Operating margins = (Profit before tax + Finance costs) / Revenue from operations
- (iii) Net Profit margin : Net profit for the period / year / Revenue from operations
- (iv) Debt service coverage ratio = Earnings before depreciation, interest and tax / (Interest expense + Principal repayments made during the period for long term Loans)
- (v) Debt equity ratio = Total debt / Equity (excluding debenture redemption reserve)
- (vi) Net worth = Equity Share capital (Excluding Convertible Preference Share) + Reserves and surplus
- (vii) Current Ratio : Current Assets / Current Liabilities
- (viii) Long term debt to working capital : Long term borrowings / (Current Assets - Current Liabilities)
- (ix) Bad debts to accounts receivable ratio : Bad debts / Average Trade Receivables
- (x) Total Debts to total assets : Debt / Total assets
- (xi) Debtors' turnover = Revenue from operations / Average Trade Receivables
- (xii) Earnings per share = Net Profit / No. of shares
- (xiii) Net worth = Share capital + Reserves and surplus
- (xiv) Interest service coverage ratio = Earnings before interest, tax and depreciation/ Interest expenses
- (xv) Current liability Ratio = Current Liabilities / (Total Equity + Total Liabilities)
- (xvi) Asset Coverage Ratio = (Total Assets - Intangible Assets) / Total Debt
- (xvii) Debt equity ratio = Total debt / Equity (excluding debenture redemption reserve)

Place: New Delhi
 Date:- December 4, 2023



Rahul Kumar Srivastav
 Director
 DIN - 08250331

